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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/506,432	02/17/2000	John R. Stevens	032795-001	6452

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EXAMINER

FRENEL, VANEL

ART UNIT	PAPER NUMBER
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3626

DATE MAILED: 02/28/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/506,432

Applicant(s)

STEVENS ET AL.

Examiner

Vanel Frenel

Art Unit

3626

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 12/05/06.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1,3-15,55,56,58-62,64-67,70 and 71 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1,3-15,55,56,58-62,64-67,70 and 71 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Notice to Applicant

1. This communication is in response to the Amendment filed on 12/05/05. Claim 1 has been amended. Claims 2, 16-54, 57, 63 and 68-69 have been canceled. Claims 1, 3-15, 55-56, 58-62, 64-67 and 70-71 are pending.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1, 3-15, 55-56, 58-62, 64-67 and 70-71 are rejected under 35 U.S.C. 103(a) as being unpatentable over (Leatherman 5,544,044) in view of Johnson (4,987,538) and further in view of Shults (6,324,516), for substantially the same reasons given in the previous Office Action, and incorporated herein. Further reasons are presented hereinbelow.

(A) Claim 1 has been amended to include the words "and" and "send". However, this changes does not affect the scope and the breadth of the claim as originally presented in the manner in which the claim was interpreted by the Examiner when applying prior art within the previous Office Action. As such, the adding words "and" and "send" are rejected for the same reasons given in the prior Office Action, and incorporated herein.

(B) Claims 3-15, 55-56, 58-62, 64-67 and 70-71 have not been amended are therefore rejected for the same reasons given in the previous Office Action, and incorporated herein.

Response to Arguments

4. Applicant's arguments filed on 12/05/05 with respect to claims 1, 3-15, 55-56, 58-62, 64-67 and 70-71 have been fully considered but they are not persuasive. Applicant's arguments will be addressed hereinbelow in the order in which they appear in the response filed on 12/05/05.

(A) At pages 9-12 of the 12/05/05 response, Applicant's argues the followings:

(1) The cited art fails, in any combination, to teach, or suggest, each of the recited limitations of any of the pending claims, and hence fail to render any of the pending claims unpatentably obvious.

(2) Leatherman, Johnson and Shults do not teach or suggest "a workers' compensation claims verification system adapted to:....if there is no matching workers' compensation claim number, automatically send an indication of the lack of determining the workers' compensation claim number to a selected one of a plurality of payer computers" as recited in claim 1.

(3) Leatherman, Johnson and Shults do not teach or suggest "and if the subset of information does not include a valid claim number, the indicator produces an electronic signal that transmitted to a payer computer " as recited in claims 55 and 58-61.

(4) Leatherman, Johnson and Shults do not teach or suggest “generating an indication if the subset of the information fails to include a valid claim number” as recited in claim 56 and its dependencies claims 62 and 64-67.

(5) Leatherman, Johnson and Shults do not teach or suggest “if there is a matching workers’ compensation claim number, the workers’ compensation claims verification system is adapted to electronically supply the matching workers’ compensation claim number to the provider computer” as recited in claim 70 and its dependency claim 71.

(B) With respect to Applicant’s first argument, Examiner respectfully submitted that obviousness is determined on the basis of the evidence as a whole and the relative persuasiveness of the arguments. See *In re Oetiker*, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992); *In re Hedges*, 783 F.2d 1038, 1039, 228 USPQ 685,686 (Fed. Cir. 1992); *In re Piasecki*, 745 F.2d 1468, 1472, 223 USPQ 785,788 (Fed. Cir. 1984); and *In re Rinehart*, 531 F.2d 1048, 1052, 189 USPQ 143,147 (CCPA 1976). Using this standard, the Examiner respectfully submits that he has at least satisfied the burden of presenting a *prima facie* case of obviousness, since he has presented evidence of corresponding claim elements in the prior art and has expressly articulated the combinations and the motivations for combinations that fairly suggest Applicant’s claimed invention. Moreover, in the instant case, the Examiner respectfully notes that each and every motivation to combine the applied references are accompanied by select portions of the respective reference(s) which specifically support that particular motivation and/or an explanation based on the logic and scientific reasoning of one ordinarily skilled in the art at the time of the invention that support a holding of

obviousness. As such, it is NOT seen that the Examiner's combination of references is unsupported by the applied prior art of record. Rather, it is respectfully submitted that explanation based on the logic and scientific reasoning of one ordinarily skilled in the art at the time of the invention that support a holding of obviousness has been adequately provided by the motivations and reasons indicated by the Examiner, *Ex parte Levengood*, 28 USPQ2d 1300 (Bd. Pat. App. & Inter., 4/22/93).

In response to Applicant's concern that the Examiner have ignored the mandate of the modern case law which clearly and explicitly hold that in order for the references to be combined in that the references must explicitly teach or suggest every element of the combination as well as how to use such a combination, the Examiner respectfully submits that Applicant misinterprets the some of the case law cited. For example, the Court in *In re Fritch* stated "[The Examiner] can satisfy this burden only by showing some objective teaching in the prior art or that knowledge generally available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references. [emphasis added]" *In re Fine*, 837 F.2d 1071, 1074, 5 USPQ 2d 1596, 1598 (Fed. Cir. 1988) (citing *In re Lalu*, 747 F.2d 703, 705, 223 USPQ 1257, 1258 (Fed. Cir. 1988)). Each applied reference does not expressly suggest combination with the other respective references; however, the Examiner has shown that motivation for combining the references existed in the prior art. The "modification" referred to in *In re Fritch* involves extensive changes to the primary references. Such is not the case in the present combinations, where all modifications proposed by the Examiner are specifically taught by the references and that knowledge generally available to one of ordinary skill in the art. Therefore, the combination of references is proper and the rejection maintained.

In addition, the Examiner recognizes that references cannot be arbitrarily altered or modified and that there must be some reason why one skilled in the art would be motivated to make the proposed modifications. However, although the Examiner agrees that the motivation or suggestion to make modifications must be articulated, it is respectfully contended that there is no requirement that the motivation to make modifications must be expressly articulated within the references themselves. References are evaluated by what they suggest to one versed in the art, rather than by their specific disclosures, *In re Bozek*, 163 USPQ 545 (CCPA 1969).

The Examiner is concerned that Applicant apparently ignores the mandate of the numerous court decisions supporting the position given above. The issue of obviousness is not determined by what the references expressly state but by what they would reasonably suggest to one of ordinary skill in the art, as supported by decisions in *In re DeLisle* 406 Fed 1326, 160 USPQ 806; *In re Kell, Terry and Davies* 208 USPQ 871; and *In re Fine*, 837 F.2d 1071, 1074, 5 USPQ 2d 1596, 1598 (Fed. Cir. 1988) (citing *In re Lalu*, 747 F.2d 703, 705, 223 USPQ 1257, 1258 (Fed. Cir. 1988)). Further, it was determined in *In re Lamberti et al*, 192 USPQ 278 (CCPA) that:

- (i) obviousness does not require absolute predictability;
- (ii) non-preferred embodiments of prior art must also be considered; and
- (iii) the question is not express teaching of references, but what they would suggest.

Therefore, Applicant argument is not persuasive and the rejection is hereby sustained.

(C) With respect to Applicant's second point of view, Examiner respectfully points out that He has relied upon the clear and unmistakable teaching of Shults for such a feature. Further, Shults discloses "The system prioritizes and audits medical bills sent to a medical service payor, such as an insurance company, by a medical service provider, such as a physician. The medical bills are audited for the following: compliance with state, PPO, and provider rules; compliance with any UR agreements negotiated between the provider and the payor, and duplicate bill. Each UR agreement comprises a claim number, a procedure code describing the particular medical service authorized, and some indication as to dates or quantity of service authorized. The UR agreements are coded and stored in a UR database. The coding of UR agreements can either be by direct data entry from a workstation, or by electronic data import (EDI) or optical character recognition import (OCI) (See Shults, Col.3, lines 53-66). Furthermore, Shults suggests that "Processing then jumps to a process block 1816. Returning to the decision block 1807, if the procedure code 503 in the current record does not match the procedure code range in the current UR agreement or the procedure code modifier 505 in the current record does not match the procedure code modifier range in the current UR agreement, then processing proceeds to a decision block 1809 for further correlation testing (See Shults, Col.14, lines 49-56; Col.15, lines 17-34)" which correspond to Applicant's claimed feature. Therefore, Applicant's argument is non-persuasive and the rejection is hereby sustained.

(D) With respect to Applicant's third argument, Examiner respectfully submitted that He has relied upon the clear and unmistakable teaching of Shults for such a feature. Further, Shults discloses "The bill database 120 and the UR database 122 also advantageously provide a secondary API 303 which allows manipulation of both databases by electronic data exchange or optical character recognition 303" which correspond to Applicant's claimed feature (See Shults, Col.6, lines 47-58). Therefore, Applicant's argument is non-persuasive and the rejection is hereby sustained.

(E) With respect to Applicant's fourth argument, Examiner respectfully submitted that He has relied upon the clear and unmistakable teaching of Shults for such a feature. Further, Shults discloses "An address field 609 contains the address of the worker 101. The name field 606 and address field 609 can be used to help match the case header record 600 to a claim number 603 if a claim is not found. A field 613 contains the date of the injury 102 to the worker 101. A UR vendor cost field 614 contains a fee that the UR vendor is charging a payor 106 to manage the case 130 and enforce the LUR agreements 107. A UR request date field 615 contains a date that the UR company received a pre-treatment authorization request 105 from a provider 104. A UR request type field 616 contains a code indicating a service being performed by the UR vendor. Under the preferred embodiment, the UR request type field 616 always contains a character string "UM" to indicate that utilization management is being performed. A primary diagnosis field 617 contains a primary diagnosis code for the injury 102 suffered by the worker 101 (See Shults, Col.7, lines 45-53)" which correspond to Applicant's

claimed feature. Therefore, Applicant's argument is non-persuasive and the rejection is hereby sustained.

(F) With respect to Applicant's fifth argument, Examiner respectfully submitted that Shults discloses "The system prioritizes and audits medical bills sent to a medical service payor, such as an insurance company, by a medical service provider, such as a physician. The medical bills are audited for the following: compliance with state, PPO, and provider rules; compliance with any UR agreements negotiated between the provider and the payor, and duplicate bill. Each UR agreement comprises a claim number, a procedure code describing the particular medical service authorized, and some indication as to dates or quantity of service authorized. The UR agreements are coded and stored in a UR database. The coding of UR agreements can either be by direct data entry from a workstation, or by electronic data import (EDI) or optical character recognition import (OCI) (See Shults, Col.3, lines 53-66). Further Shults suggests that "the system finds a list of all of the UR agreements which have some probability of applying to a particular line in a medical bill and presents that list visually on-line to a human operator who can choose to apply any particular UR agreement to all items in a bill, to one item in a bill, or none of the items in a bill (See Shults, Col.4, lines 31-37). Furthermore, Shults suggests "Once a match is found, the system then checks to ensure that the item in the bill is authorized by the service authorization agreement. If the item is authorized, then the line is flagged for payment. If the item is not authorized, then the bill is flagged for further review (See Shults, Col.4, lines 38-57)

which correspond to Applicant's claimed feature. Therefore, Applicant's argument is non-persuasive and the rejection is hereby sustained.

5. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Conclusion

6. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Vanel Frenel whose telephone number is 571-272-6769. The examiner can normally be reached on 6:30am-5:00pm.

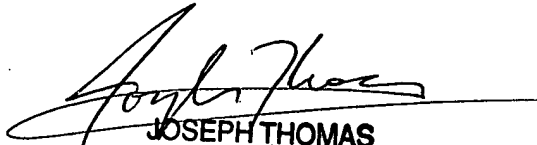
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas can be reached on 571-272-6776. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

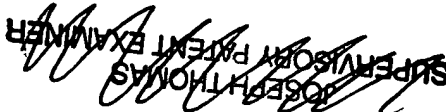
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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

V.F
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February 15, 2006


JOSEPH THOMAS
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